

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER

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DATE

June 26, 2019

MOTOR CARRIER MATTER

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DOCKET NO.

2018-281-E

UTILITIES MATTER

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ORDER NO.

2019-474

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

DOCKET NO. 2018-281-E - Application of Duke Energy Carolinas, LLC for Approval of Transfer and Sale of Hydroelectric Generation Facilities, Acceptance for Filing of a Power Purchase Agreement and an Accounting Order to Establish a Regulatory Asset - Staff Presents for Commission Consideration Duke Energy Carolinas, LLC's Application Requesting Approval of Transfer and Sale of Hydroelectric Generation Facilities, Acceptance for Filing of a Power Purchase Agreement, and an Accounting Order to Establish a Regulatory Asset.

COMMISSION ACTION:

In this docket, Duke Energy Carolinas seeks approval of transfer and sale of five hydroelectric generating facilities to Northbrook Carolina Hydro II, LLC and Northbrook Tuxedo, LLC. The Company also seeks to establish a regulatory asset to defer the estimated loss resulting from the transaction in the amount of \$9.5 million on a South Carolina retail basis. DEC represents that this transfer and sale is more economical than continued ownership of the facilities and will result in net savings for customers over time. The Office of Regulatory Staff has no objection to the Company's application for approval of the transfer and sale of these facilities, acceptance for filing of a power purchase agreement, and an accounting order to establish a regulatory asset, provided that the issuance of an Accounting Order in this matter will not preclude the ORS, the Commission, or any other party from addressing the reasonableness of these costs, any return sought, and including any carrying costs in a subsequent general rate case or other proceeding. Accordingly, I move that the Commission approve the Application, accept the power purchase agreement for filing, and approve the proposed accounting order, with the proviso that the issuance of an Accounting Order in this matter will not preclude the ORS, the Commission, or any other party from addressing the reasonableness of these costs, any return sought, and including any carrying costs in a subsequent general rate case or other proceeding.

PRESIDING: RandallSESSION: RegularTIME: 2:00 p.m.

MOTION YES NO OTHER

BELSER

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ERVIN

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HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WHITFIELD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WILLIAMS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(SEAL)



RECORDED BY: D. Easterling